STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

July 22, 2009

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

OAHU

Forfeiture of General Lease No. S-4890, Millicent U. Crawford (Deceased), Lessee, Maunalaha, Honolulu, Oahu, Tax Map Key: (1) 2-5-024:007

PURPOSE:

Forfeiture of General Lease No. S-4890, Millicent U. Crawford (Deceased), Lessee.

LEGAL REFERENCE:

Section 171-39, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Maunalaha, Honolulu, Oahu, identified by Tax Map Key: (1) 2-5-024:007.

AREA:

0.35 acre, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES _____ NO X

CHARACTER OF USE:

Residential purposes.

TERM OF LEASE:

65 years, commencing on December 1, 1983 and expiring on November 30, 2048.

ANNUAL RENTAL:

\$120.00 due in semi-annual payments.

REMARKS:

General Lease No. 4890 was issued to Gulston Crawford pursuant to Act 225, SLH 1981 which authorized the Board to negotiate and enter into long-term residential leases in the Maunalaha Valley. The lease was later assigned to George Crawford (brother of Gulston Crawford) in 1996. Millicent U. Crawford (sister of Gulston Crawford) became the sole lessee in 2002.

During the tenure of Millicent U. Crawford (Lessee), there were some Board items, in 2004, 2006, and 2007, recommending forfeiture of the subject lease due to the lack of insurance and delinquent rent. The items were either withdrawn or deferred which allowed the Lessee additional time to obtain the required insurance and keep the rent current.

The most recent agenda happened on February 9, 2007 (D-9) when the Lessee told the Board that she wanted to transfer the lease to her relative and requested the Board additional time to pay rent and obtain the required insurance. The request was subsequently withdrawn from the agenda. A copy of the submittal is attached as Exhibit A.

While the Department was trying to contact the Lessee regarding the defaults, the Department noted an obituary notice published in the newspaper regarding the death of the Lessee on February 15, 2007.

The Department has requested assistance of the community association to locate any family members of the late Lessee, who may be interested in becoming the assignee of the subject lease. At the time of writing this submittal, the Department did not receive any request for assignment of the lease.

As noted in the February 2007, the Board deferred the October 27, 2006 (D-5) request for forfeiture on the rent and insurance defaults. In view of the death of the late Lessee, staff recommends the Board act on the said 2006 request and authorize forfeiture of General Lease No. 4890.

BLNR - Forfeiture of GL No. S-4890

RECOMMENDATION: That the Board:

- 1. Authorize the cancellation of General Lease No. S-4890 in the manner specified by law;
- 2. Authorize the retention of all sums heretofore paid or pledged under General Lease No. S-4890 to be applied to any past due amounts;
- 3. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of Board date, provided that any and all obligations of the Lessee which have accrued up to said effective date or which are stated in the lease to survive termination shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law; and
- 4. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-4890 and to pursue all other rights and remedies as appropriate.

Respectfully Submitted,

Barry Cheung

District Land Agent

APPROVED FOR SUBMITTAL:

Laura H. Thie en, Chairperson

WITHDRAWN

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

February 9, 2007

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Oahu

Forfeiture of General Lease No. S-4890, Millicent U. Crawford, Lessee, Maunalaha Homesites, Opu, Makiki, Oahu, Tax Map Key: (1) 2-5-24:07.

REMARKS:

At its October 27, 2006 meeting the Board deferred staff's forfeiture request by allowing sixty (60) additional days to cure the rent and insurance defaults. As of January 17, 2007 the twelve months rent of \$120 is still outstanding and the insurance that expired on 6/23/06 has not been renewed or replaced.

Ms. Crawford intended to assign the lease to a relative who would cure the defaults but the issue of City and County real property back taxes has not been resolved. The relative has been waiting for the County to determine what amount, if any, is owed before committing to the assignment. Staff discussed these issues with a Maunalaha resident who is assisting Ms. Crawford and expected the defaults to be cured within the sixty (60) days.

Staff is requesting forfeiture as the Board approved sixty (60) day extension expired on December 26, 2006.

That the Board: RECOMMENDATION:

- Authorize the cancellation of General Lease No. S-4890 in the manner specified by law;
- Authorize the retention of all sums heretofore paid or 2. pledged under General Lease No. S-4890 to be applied to any past due amounts;
- Terminate the lease and all rights of Lessee and all 3. obligations of the Lessor effective as of February 9, 2007, provided that any and all obligations of the Lessee which have accrued up to said effective date or which are stated in the lease to survive termination shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law.
- Authorize the Department of the Attorney General, the 4.

Withdrawn AFFROVED BY THE BOARD OF LAND AND NATURAL RESOURCES February 9,2007

Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-4890 and to pursue all other rights and remedies as appropriate.

Respectfully Submitted,

Al Jodar

Land Agent

APPROVED FOR SUBMITTA

Peter 1. Young, Chairberson

STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

October 27, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Oahu

Forfeiture of General Lease No. S-4890, Millicent U. Crawford, Lessee, Maunalaha Homesites, Opu, Makiki, Oahu, Tax Map Key: (1) 2-5-24:07.

PURPOSE:

Forfeiture of General Lease No. S-4890, Millicent U. Crawford, Lessee.

LEGAL REFERENCE:

Section 171-39, Hawaii Revised Statutes, as amended.

LOCATION AND AREA:

Portion of Government lands of Makiki & Tantalus situated at Maunalaha Homesites, Opu, Makiki, Oahu, identified by tax map key: (1) 2-5-24:07, consisting of approximately 0.35 acre, as shown on the attached map labeled Exhibit A.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES _____ NO \underline{x}

CHARACTER OF USE:

Residential purposes.

TERM OF LEASE:

65 years, commencing on December 1, 1983 and expiring on November 30, 2048.

ANNUAL RENTAL:

\$120.00 in semi-annual payments.

Deferred

ABBROVED

EY THE BOARD OF

LAND AND NATURAL RESOURCES

AT ITS MEETING HELD ON



REMARKS:

Pursuant to the authority granted the Chairperson by the Board of Land and Natural Resources at its meeting of January 11, 1980 and the breach provision contained in General Lease S-4890, Millicent U. Crawford, Lessee, was served a Notice of Default by certified mail dated June 30, 2006 for:

x Failure to keep lease rental payments current

Said notice, accepted by Millicent U. Crawford on July 5, 2006, offered the Lessee a sixty-day cure period to correct the default. This cure period expired on September 5, 2006. As of October 13, 2006, this breach has not been cured.

A second Notice of Default was served by certified mail dated July 26, 2006 for:

x Failure to post required liability insurance policy

Said notice, accepted by Millicent U. Crawford on July 31, 2006, offered the Lessee a sixty-day cure period to correct the default. This cure period expired on October 1, 2006. As of October 13, 2006, this breach has not been cured. Staff attempted to contact Ms. Crawford and the Maunalaha Association representatives to follow up but has been unsuccessful. According to Atlas Insurance, Ms. Crawford cancelled her policy June 23, 2006.

The status of the lease compliance items is as follows:

RENT: The Lessee is over 90 days delinquent with the rent, which was due June 1, 2006.

INSURANCE: The Lessee has not posted the current liability insurance policy. Policy was cancelled June 23, 2006.

PERFORMANCE BOND: Not required.

CONSERVATION PLAN: Not required.

During the past two (2) years, no other Notice of Default letters were sent.

RECOMMENDATION: That the Board:

- 1. Authorize the cancellation of General Lease No. S-4890 in the manner specified by law;
- Authorize the retention of all sums heretofore paid or pledged under General Lease No. S-4890 to be applied to any past due amounts;

- 3. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of October 27, 2006, provided that any and all obligations of the Lessee which have accrued up to said effective date or which are stated in the lease to survive termination shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law.
- 4. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-4890 and to pursue all other rights and remedies as appropriate.

Respectfully Submitted,

Al Jodar

Land Agent

APPROVED FOR SUBMITTAL:

Peter T. Young, Chairperson

